

Peter Lynn 6782

Mr. Paul Baker (via Email) Environmental Manager Utah Division of Oil Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, Utah 84116 RECEIVED

August 4, 2015

AUG 1 2 2015

DIV. OF OIL, GAS & MINING

RE: Request for Variance from Rule R647-4-112.111.6 (Slopes) (M/001/0067)

Dear Mr. Baker:

Attached is the subject variance request. Also attached is a completed form MR-Rev.

The subject variance seeks approval of CS Mining's plans to allow current and future waste rock dumps to be constructed in a terraced configuration with intervening slopes at angle of repose.

The reclamation effectiveness of dump slope regrading has been a subject of ongoing discussion among the Division, the BLM and CSM that has not yet been formally resolved. A NOI Revision that changes the reclamation plan for the project to exclude dump slope regrading and revegetation under a variance request has been submitted by CSM and is currently under review by Division staff.

As you are aware, CS Mining LLC has an informal conference with Associate Director Dana Dean scheduled for August 11, 2015. The subject of the conference is CS Mining's appeal of the fact of the violation issued per Citation #: MN-2015-62-01, which found CS Mining in non-compliance with its permit because waste rock dump outslopes were not constructed at slopes of 3h:1v per the currently approved NOI. CSM has protested the facts of the citation because of our concern that failing to do so may be interpreted as CSM's agreement that the slopes called out in the citations will be required to be regraded per the existing NOI.

The attached variance request is intended to establish the reclamation requirements for waste rock dump slopes in advance of finalization of the pending NOI Revision.

Please contact Mr. Robert Bayer or Ms. Alysen Swenson with any questions you may have regarding this variance request.

Sincerely,

David McMullin
President and CEO

Attachments: Variance Request

Form MR-Rev

WEMILE

cc (w/ attachments): Peter Brinton, UDOGM Leslie Buhler, CSM Alysen Swenson, CSM Robert Bayer

VIII. R647-4-112 Variances

The following variances from the Division's non-coal mineral rules are proposed.

111.6 Slopes

A variance is requested for regrading the outslopes of the Bawana and Sunrise waste rock dumps, which have been constructed at angle of repose. Further, that same variance is requested for the Hidden Treasure dump, which is now being expanded. In addition, CSM requests that this variance be granted for future waste rock dumps to be built in similar terrain where regrading would increase the area of disturbance beyond that disturbed during dump construction. The Division has stated (2 letters sent in April 2015) that with the appropriate information provided, variances for regrading of the Sunrise and Hidden Treasure dumps would be granted. CSM intends that this variance request provides the information that the Division requires per those letters.

The outslopes of the Bawana dumps are stable having been constructed at the natural angle of repose. The slopes consist predominantly of boulder and cobble size rock, resulting in a coarse and durable finished slope. As a result most erosion and subsequent deposition is confined to the dump slope where finer soil/sediment settles in the interstices of the dump slope before reaching the dump toe. Regular inspection of the outslopes as part of CSM's Storm Water Pollution Prevention Plan (SWPPP) compliance efforts has determined that following heavy spring and summer rainfall, no evidence of angle-of-repose dump slope erosion was observed. Per CSM's SWPPP, none of the dump outslopes present a source of eroded sediment to surface waters, including normally dry ephemeral stream beds. On the other hand, an older dump at Bawana that had been regraded to 3H:1V and has a surface that is covered with finer material, has eroded with deep rill development.

Topsoil placement on the angle of repose outslopes is not possible. BLM is opposed to dump slope regrading and topsoil replacement because in their experience doing so provides habitat for the invasive plants that succeed at the expense of native species that comprise reclamation seed mixes. CSM has observed widespread growth of invader species on both formerly disturbed and newly disturbed lands over the years. Regraded dump slopes result in larger surface areas for the spread of invasive species including, knapweed, halogeton, Russian thistle, and cheat grass. Invader species' exploitation is enhanced by placement of topsoil over regraded dump surfaces since these species typically thrive in the moderately saline soils common in the area. The invaders establish themselves more readily than many native species in the alkaline and locally saline soils that dominate the area.

Form MR-REV-att (DOGM – Revise/Amend Change Form) (Revised September 14, 2005)

Application for Mineral Mine Plan Revision or Amendment

Operator: CS Mining, LLC							
Mine Name: Hidden Treasure Operations File Number: M/001/0067							
m pa	aps and ages, or	d drawings that are to other information a	to be a s need	dded, replaced to specif	ced, or removed from the plan.	will be required as a result of this change. Individually Include changes of the table of contents, section of the or amend the existing Mining and Reclamation Plan. In	plan,
		DETAILE	ED SC	HEDULI	E OF CHANGES TO THE	MINING AND RECLAMATION PLAN	
DESCRIPTION OF MAP, TEXT, OR MATERIALS TO BE CHANGED							
	ADD	ズ REPLACE		REMOVE	Page 84, VIII.R647-4-112 review of new NOI revision	 Variances (To be reviewed prior to initiati ion) 	on of
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I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments and obligations, herein. David D. McMullin President & CEO							
Print	Name				Sign Name, Position 08/05/2015 Date		
Ret	urn to	State of Utah Department of Natural Resources Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 Box 145801				FOR DOGM U File #: M/ Approved: Bond Adjustment: from_(\$)	SE ONLY:

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Salt Lake City, Utah 84114-5801

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